

Chapter 21. Student Services

Subchapter D. Hinson–Hazlewood College Student Loan Program: All Loans Made Before Fall Semester 1971, Not Subject to the Federally Insured Student Loan Program

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Â§21.81 Administration

The Coordinating Board, Texas College and University System, or its successor or successors, hereafter referred to as the board, shall administer the student loan program authorized by the Hinson–Hazlewood College Student Loan Act pursuant to Texas Constitution, Article III, Â§50b. Such personnel and other expenses as may be required to properly administer this program are to be provided in the biennial appropriation acts.

Source Note: The provisions of this Â§21.81 adopted to be effective January 1, 1976.

Â§21.82 Delegation of Powers and Duties

The board delegates to the commissioner of higher education the powers, duties, and functions authorized by the Act, except those relating to the sale of bonds and the letting of contracts for insurance.

Source Note: The provisions of this Â§21.82 adopted to be effective January 1, 1976.

Â§21.83 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Accepted for enrollment—The student has completed all steps in the admissions procedure necessary for enrollment in a participating institution.
- (2) Act—Chapter 101, 59th Legislature, 1965, designated as the Hinson–Hazlewood College Student Loan Act, compiled as Texas Education Code, Chapter 52.
- (3) Board—The Coordinating Board, Texas College and University System.
- (4) Commissioner—The commissioner of higher education, the chief executive officer of the board.
- (5) Cosigner—A cosigner of a note executed under authority of the Hinson–Hazlewood College Student Loan Act shall be any person signing such a note, other than the student borrower, who is over 21 years of age and who is gainfully employed full time. Such person may be a relative and may be self-employed or in the employ of another person. A cosigner is jointly and severally responsible for all interim notes signed by the maker and himself.
- (6) Delinquency rate—The delinquency rate of an institution of record is the total dollar amount of loans made to student borrowers who have failed to make six or more monthly payments divided by the total dollar amount of loans made to student borrowers in repayment at the institution of record expressed as a percent.
- (7) First-time borrower—A student who has never received a loan from the Hinson–Hazlewood College Student Loan Program.

(8) Fund—The Texas opportunity plan fund as created by Texas Constitution, Article III, Â§50b.

(9) Graduate or professional student—Any student who has been accepted for enrollment as a graduate or professional student by the graduate dean or other authorized agent of the participating institution.

(10) Institution of record—The last participating institution of which a student borrower was granted a loan as reflected by records of the board.

(11) Insufficient resources to finance his college education—The reasonable expenses as a student at the participating institution during the period in which the applicant is applying for a loan are greater than the financial resources available to him during such period.

(12) Loan commitment—The assurance given by the commissioner to the institution that a loan will be made when the borrower is otherwise eligible to receive a loan. A loan commitment may be given by the commissioner regardless of the then current delinquency rate of the institution.

(13) Recommended for a loan by two reputable persons in his home community—The student must be recommended for a loan by two persons from his home community who can testify to the student's financial responsibility. Such recommendations must contain favorable statements concerning the student's ability to apply himself to the tasks at hand, his ability to manage his financial affairs, and his moral character. In addition, persons making such recommendation must commit themselves to bring moral suasion to bear on the student to repay the loan in full and such persons shall also commit themselves to furnish information concerning the current location of the student to officials of the board. One recommendation may be submitted by a relative provided that a complete explanation of the relationship to the student is included.

(14) Resident of Texas—Any person who meets the requirements of the Texas Education Code, Chapter 54, and rules and regulations for determining residence status pursuant to the Texas Education Code, Chapter 54, adopted by the board.

Source Note: The provisions of this Â§21.83 adopted to be effective January 1, 1976.

Â§21.84 Investment of Funds

All monies standing to the credit of the reserve portion of the interest and sinking fund and any monies in the Texas opportunity plan fund in excess of the amount necessary for student loans may be invested by the commissioner, after seeking the advice and counsel of the investment committee of the board and after following such directives as may be given from time to time by the board, in direct obligations of the United States or its agencies or in other obligations unconditionally guaranteed by the United States, or bonds of the State of Texas, or of the several counties or municipalities or other political subdivisions of the State of Texas; provided, however, that money in the interest and sinking fund, except for that which is in the reserve portion of such fund, may be invested only in direct obligations of or unconditionally guaranteed by the United States which are scheduled to mature prior to the date money must be available for use for its intended purpose. All of such bonds and obligations owned in the interest and sinking fund or in the Texas opportunity plan fund are defined as "securities." Such securities owned in the interest and sinking fund or in the Texas opportunity plan fund may be sold at the prevailing market price.

Source Note: The provisions of this Â§21.84 adopted to be effective January 1, 1976.

Â§21.85 Participating Institutions

(a) Criteria. A participating institution of higher education shall be any institution of higher education within the State of Texas which:

(1) admits as regular students only those persons having a certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate;

(2) is legally authorized within the state to provide a program of education beyond secondary education;

(3) provides an educational program for which it awards a bachelor's degree or associate degree, or provides not less than two years of course work acceptable for credit toward such degrees;

(4) is a public or other nonprofit institution; and

(5) is accredited by a nationally recognized accrediting agency or association listed by the National Commission on Accrediting. An institution not so accredited must be one whose credits are fully and freely accepted on transfer by at least three institutions which are so accredited. Each nonaccredited institution shall submit annually not later than July 1 three letters from accredited institutions attesting to the fact that said institutions will accept credits from the nonaccredited institution. Annual approval of nonaccredited institutions will be effective for the state fiscal year beginning September 1 and ending August 31. Each institution must enter into an agreement with the board, the terms of which shall be specified by the board.

(b) Students attending other institutions. Any student attending an institution other than a participating institution shall not be eligible for a loan from the Texas opportunity plan fund.

(c) Records and reporting. Each participating institution shall keep adequate records reflecting all transactions with respect to the fund. None of the responsibilities of the participating institution can be delegated. Participating institutions shall submit such reports and information as the commissioner may require in connection with the administration of the Act and shall comply with such provisions as he or the state auditor may find necessary to insure the correctness and verification of such reports. An annual report as prescribed shall be forwarded to the commissioner by each participating institution within 60 days of the close of each fiscal year. All records pertaining to each applicant shall be retained by the participating institution for a period of two years in the case of an applicant who was not awarded a loan and, in the case of an applicant who is awarded a loan, such records shall be retained until requisitioned by the commissioner.

(d) Compliance by participating institutions. If, at any time, after notice and opportunity for hearing, the commissioner determines that the requirements for an institution's participation in the Act are no longer met or that any monies in the fund or to be deposited therein have been disbursed by the participating institution for purposes for which the fund is legally unavailable and such diversions have not been restored, no further disbursements of monies to the participating institution shall be permitted to be made from the fund and no further disbursements of any monies held in trust by the participating institution for loans to students shall be permitted until there is no longer any failure of such compliance by the participating institution.

(e) Compliance by student. If, at any time, after notice and opportunity for hearing, it is determined that any monies in the fund or to be deposited therein have been disbursed to a student for purposes for which the fund is legally unavailable and such diversions have not been restored, no further disbursements of monies to such student shall be permitted to be made from the fund and no further disbursements of any monies held in trust by the participating institution for loans to such student shall be permitted until there is no longer any failure of such compliance by the student and such monies disbursed to the student for purposes for which the fund is legally unavailable become due and payable to the fund immediately.

(f) Designation of institutional representative. Each participating institution shall designate a fulltime administrative official of the institution as the Hinson–Hazlewood College Student Loan Program officer who shall be the person to certify all institutional transactions and activities with respect to the fund and responsible for all records and reports reflecting the transactions with respect to the fund.

(g) Discrimination by participating institution prohibited. Title VI of the Civil Rights Act of 1964 states: "No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal assistance." Therefore all transactions with respect to the fund shall be made in compliance with the Civil Rights Act of 1964, and further provided that students transferring from any other institution shall be considered for loans the same as students attending the participating institution.

(h) Student conviction of criminal activities. Participating institutions shall determine, after notice and opportunity for hearing, whether a student applicant for a loan has been convicted by any court of record of any crime which was committed after the date of adoption of this section under the provisions of either House Bill 141, 61st Legislature,

1969, and subsequent amendments thereto, or the Federal Higher Education Amendments of 1968 (Public Law 90–575), Â§504, and subsequent amendments thereto. The participating institution which such convicted student attends shall not recommend for a period of two years such student for a loan under the authority of this section, then any participating institution which such student subsequently attends shall not recommend such student for the remainder of the two–year period for a loan under the Hinson–Hazlewood College Student Loan Act.

(i) Termination of agreement. A participating institution which desires to terminate its participation in the fund must notify the board at least 60 days prior to such termination. All transactions with respect to the fund must be completed prior to the effective date of the termination and required forms for all transactions must be filed in the office of the board prior to termination. All records of each student borrower in the institution who is under the fund are to be forwarded to the board. Original interim notes must be forwarded to the board by registered mail and insured for the face amount of all such notes forwarded by mail. All students enrolled in the institution who have a loan from the fund shall be notified by the institution of their termination of the agreement between the institution and the board.

(j) Delinquency rates and institutional participation. A participating institution shall be notified by the commissioner when said institution's delinquency rate reaches 5.0% as defined in Â§21.83 of this title (relating to Definitions). At such time as the delinquency rate of the institution reaches 10%, said institution may be suspended from participation in the program by the commissioner. If within the succeeding 30–day period the institution can show that the delinquency rate has been lowered below 10%, as reflected in the records of the board, the commissioner may reinstitute participation without further action. After 30 days the institution may request a public hearing with the board to show cause why the suspension of participation should not be continued. The formal request for a public hearing shall be made to the commissioner by the chief administrative officer of the institution. Hearings shall be scheduled by the chairman of the board at such time as a quorum of the board can be assembled.

Source Note: The provisions of this Â§21.85 adopted to be effective January 1, 1976.

Â§21.86 Qualifications for Loans

(a) Qualification criteria.

(1) The commissioner may authorize, or cause to be authorized, loans from the fund to qualified students at any participating institution provided the applicant:

(A) is a resident of Texas;

(B) has been accepted for enrollment at a participating institution for at least one–half the normal academic course load of the institution;

(C) has established that he has insufficient resources to finance his college education;

(D) has been recommended by two reputable persons in his home community;

(E) has completed an application for a loan on the form prescribed by the commissioner;

(F) has been recommended for a loan by the Hinson–Hazlewood College Student Loan Program officer; and

(G) has complied with such other provisions of this subchapter as are required of such student.

(2) In no event shall a higher standard of academic performance be required of an applicant than the minimum standard for enrollment in the participating institution, and such student must be meeting the minimum academic requirements of the institution at the beginning of the semester in which any loan is made. First–time enrolled students must meet the minimum standard for enrollment at the time a loan is made. If a student who is otherwise eligible for a loan can be enrolled in the participating institution, he is eligible for a loan. No loan shall be made to an undergraduate student whose course load in the semester or term in which the loan is made is less than one–half the normal course load, as determined by the participating institution, for a full–time undergraduate student enrolled in the same program at the

participating institution. No loan may be made to a graduate or professional student who is not making satisfactory progress toward the completion of his educational program as determined by the participating institution.

(b) Authorization of loans. The commissioner may authorize, or cause to be authorized, loans from the fund to qualified students at any participating institution provided there is on file with the commissioner the following:

- (1) a certification by the participating institution that each applicant meets the qualifications for a loan as provided in this section and a recommendation by the Hinson–Hazlewood College Student Loan Program officer that a loan from the fund be made to each applicant named in the form prescribed by the commissioner;
- (2) a copy of the student's completed application for a loan;
- (3) a copy of each recommendation by reputable persons in the student's home community;
- (4) a copy of the computation of the financial resources available to the student as shown on the application or a computation of financial resources available submitted by College Scholarship Service or American College Testing Program.

Source Note: The provisions of this Â§21.86 adopted to be effective January 1, 1976.

Â§21.87 Amount of Loan

(a) Change in reasonable expenses. The maximum amount of the loan to any qualified applicant for an academic year is \$1,500, but shall not exceed the amount that the student needs in order to meet reasonable expenses as a student. A change in either financial resources or reasonable expenses of the student which results in an increase in the financial need of the student may make the student eligible for additional loan funds. A change in either financial resources or reasonable expenses of the student which results in a decrease in the financial need of the student shall make the student responsible for the immediate repayment of any overcommitment of loan funds. Repayment may be restored to the fund by a cash payment or by the reduction of any pending loan disbursement to the student.

(b) Maximum amount of loan. The total outstanding principal balance to any individual student may not exceed \$7,500 at any time.

(c) Financial resources available to the applicant. Financial resources available to the applicant shall be determined by an analysis prepared by College Scholarship Service or American College Testing Program which the applicant submits, or by another similar method as described on the application.

(d) Reasonable expenses for a student. Reasonable expenses for a student at an eligible institution shall be determined by the commissioner after consultation with representatives of the eligible institution. Lists of reasonable expenses for typical students shall be submitted to the commissioner by the eligible institution prior to April 1 of each year for use in the following summer session and in the following academic year. The lists shall follow such format as may be prescribed by the commissioner. Each eligible institution may submit as many lists of reasonable expenses as is required to properly reflect the different typical expense categories of students attending the institution. When more than one list is submitted, each list should be labeled so as to identify the category of students to be served by that list. On individual loan applications, the amounts listed for typical students must be adjusted downward when necessary to reflect the circumstances of the applicant. If a listed amount must be increased to properly reflect the reasonable expenses of an individual applicant, then justification for the increased amount must accompany the individual application with such increased amount subject to approval or disapproval by the commissioner.

(e) Determination of amount of loan. The amount of the loan shall be no greater than the amount reasonable expenses as a student exceeds the financial resources available to the applicant and in no event greater than the maximum amount of loan as specified in subsection (b) of this section.

(f) Identification of student records. All records of each student who is a borrower under the Texas Opportunity Plan Fund shall be so identified in the office of the registrar at each participating institution. Each student borrower under

said program shall obtain a release authorized by the Hinson–Hazlewood College Student Loan Program officer before any records are made available to him by the registrar. Such release may be authorized by the Hinson–Hazlewood College Student Loan Program officer following an exit interview as prescribed in subsection (h) of this section.

(g) Preloan interview. Each applicant shall be interviewed by the Texas Opportunity Plan Loan officer or his designated representative prior to the approval of an initial loan under the Act. The Hinson–Hazlewood College Student Loan Program officer or his designated representative shall inform the applicant of his responsibilities as a borrower.

(h) Exit interview and student status report. Prior to the end of each enrollment period an exit interview shall be conducted by the Hinson–Hazlewood College Student Loan Program officer or his designated representative with each student borrower who is currently enrolled in the participating institution. A roster of student borrowers will be forwarded to each participating institution by the board prior to the end of each enrollment period. Information on each student borrower shall be obtained on the format prescribed by the board.

Source Note: The provisions of this Â§21.87 adopted to be effective January 1, 1976; amended to be effective May 19, 1981, 6 TexReg 1609.

Â§21.88 Payments to Student

No payment shall be made to any student until he and a cosigner as prescribed in Â§21.83 of this title (relating to Definitions) shall have executed an interim note payable to the Texas opportunity plan fund for the full amount of any authorized loan plus interest. A copy of such executed interim note shall be forwarded to the commissioner immediately and the original interim note shall be retained by the participating institution in a place safe from fire and theft. For the purposes of any contract executed by him; and the defense that he was a minor at the time he executed a note shall not be available to him in any action arising on said note. Payments by the participating institution to students executing such notes may be made monthly or for each semester depending upon the demonstrated capacity of the student to manage his financial affairs as determined by the participating institution. Disbursements are to be made by the participating institution pursuant to the contract between the board and the institution executed in conformity with the Act. No funds shall be distributed to a participating institution except to make payments to a student under a loan authorized by the Act. In cases of extreme hardship in which it is impossible or extremely difficult to obtain a cosigner, participating institutions shall create an institutional loan committee or utilize such an existing committee to determine whether such hardship justified the granting of the loan to the student without a cosigner. Such a committee shall be composed of at least three persons, one of whom shall be an executive officer of a local bank, savings and loan association, or credit union. The duty of the institutional loan committee is to conduct a personal interview with each student who cannot obtain a cosigner and to recommend to the institutional loan officer, after such interview, whether or not the student should be granted a loan under the program.

Source Note: The provisions of this Â§21.88 adopted to be effective January 1, 1976.

Â§21.89 Term of Loans

Principal amounts of all authorized loans shall be repaid in installments over a period of not less than five years (unless sooner repaid) nor more than 10 years beginning not earlier than nine months nor later than one year after the date on which the student ceases to carry at an eligible institution at least one–half the normal full–time academic workload as determined by the institution except:

- (1) as provided in Â§21.92(d) of this title (relating to Repayment of Loans); and
- (2) that the period of the loan may not exceed 15 years from the execution of the note or written agreement evidencing it.

Source Note: The provisions of this Â§21.89 adopted to be effective January 1, 1976.

Â§21.90 Loan Interest

(a) Interest rates. The interest rate to be charged for any student loan shall be 6.0% per annum on all loans made under the Hinson–Hazlewood College Student Loan Act on or before August 31, 1969, and the interest rate to be charged for any student loan made on or after September 1, 1969, shall be 7.0% per annum, and such interest shall accrue from the date of the note evidencing the loan is executed. Except for loans subject to the interest subsidy provisions of the Higher Education Act of 1965, Title IV, Part B, Â§428(a), as amended, and 45 Code of Federal Regulations Part 177, payment of interest by an undergraduate student shall be postponed so long as such student is enrolled in an institution of higher education for at least one–half of the normal course load, as determined by the institution, and payment of interest by a graduate or professional student shall be postponed so long as such student is enrolled in an institution of higher education and is making satisfactory progress toward the completion of his program, provided that such interest shall accrue from the date of the note evidencing the loan is executed.

(b) Federal interest benefits. Loans made pursuant to this subchapter are eligible for interest subsidy to be paid in accordance with Public Law 89–329, the Higher Education Act of 1965, and 45 Code of Federal Regulations Part 177. Students desiring these benefits shall complete forms required by the United States Office of Education and submit such forms to the Hinson–Hazlewood College Student Loan Program officer at the institution at which the loan is made. Students who do not desire to use these benefits shall waive these benefits in writing. Students who do not meet the qualifications as set forth in 45 Code of Federal Regulations Part 177 will be notified by the Hinson–Hazlewood College Student Loan Program officer.

Source Note: The provisions of this Â§21.90 adopted to be effective January 1, 1976.

Â§21.91 Insurance

(a) Contracts. The board shall contract with any insurance company or companies licensed to do business in Texas for insurance on the life of all student borrowers in an amount sufficient to retire the principal and interest owed on all loans made on or before August 31, 1969, as provided in the Act. The cost of such insurance shall be paid by the student borrowers. No contract for insurance as provided for in this section may be approved except by the board, and during a regular meeting attended by a quorum of the total board membership.

(b) Insurance costs. The cost of such life insurance as provided for in subsection (a) of this section in an amount sufficient to cover each student borrower's indebtedness to the fund made on or before August 31, 1969, shall be at the rate of \$.12 per \$1,000 per month, and shall remain in effect on all such loans until they are fully repaid. The rate shall remain effective until changed by the board.

(c) Repayment by United States commissioner of loans of deceased or disabled borrowers. If a student borrower who has received a loan under the Hinson–Hazlewood College Student Loan Act on September 1, 1969, and thereafter with respect to which a portion of the interest is payable by the United States commissioner of education under the Higher Education Act of 1965, Title IV, Part B, Â§428(a), as amended, or would be payable but for the adjusted family income of the borrowers, dies or becomes permanently and totally disabled (as determined in accordance with regulations of the United States commissioner of education), then the United States commissioner of education shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.

Source Note: The provisions of this Â§21.91 adopted to be effective January 1, 1976.

Â§21.92 Repayment of Loans

(a) Repayment of any loan and interest authorized under the Act shall be made directly to the fund and shall be made monthly in an amount of not less than \$15 or an amount to be approved by the commissioner and shall begin not later than nine months after the date the student ceases to carry at any higher educational institution at least one–half the full–time academic workload as determined by the institution and in no event later than five years from the date the first note evidencing a loan under the Act is executed. The commissioner may authorize a period longer than five years from the date the first note evidencing a loan under the Act is executed before beginning repayment of loans to medical, dental, and other students seeking professional or graduate degrees. The commissioner may extend the time

for beginning repayment of a loan to any student due to unusual financial hardships, subject to approval by the attorney general. Student borrowers must file with the commissioner a written request for postponement of a loan due to unusual financial hardships. Such requests shall contain the student borrower's permanent address, his income during the postponement period, the length of time for which the postponement is requested, and a statement of the circumstances creating such financial hardship. Students will be notified as to the disposition of their request for postponement.

(b) Payout note. At such time as a student is no longer qualified to borrow from the fund or no longer expects to borrow from the fund, the participating institution shall cause the student borrower to execute a payout note. The principal amount of the payout note shall be the aggregate amount of the interim notes plus accrued interest and cost of insurance on the life of the student borrower. The repayment schedule of the principal amount of the payout note plus interest and cost of insurance, in monthly installments, shall be set forth on the instrument. The original executed payout note shall be forwarded by registered mail to the commissioner immediately.

(c) Failure to execute payout note. Failure to execute a payout note makes all interim notes due and payable immediately. All records, including transcripts or diplomas, will be withheld from a student until a payout note is executed.

(d) Postponement of the repayment of loans. The postponement of the repayment of a Texas opportunity plan loan may be made under the following conditions.

(1) Continuing education. A student borrower may petition the commissioner for a postponement on the repayment of a loan from the fund provided that he has filed with the commissioner a request for postponement of repayment of loan (Form 019) and a verification of his enrollment in an institution of higher education by the appropriate administrative official of the institution in which he is enrolled. Such verification shall be made by the appropriate administrative official of the institution at the beginning of each semester while the student borrower is enrolled in the institution of higher education. It is the responsibility of the student borrower to see that such verification is on file with the commissioner.

(2) Financial hardship. The repayment of a loan from the fund may be postponed for a reasonable period of time provided that the student borrower can provide the commissioner with evidence of financial hardship. All income and expense information submitted by the student borrower must be supported by a certified federal income tax return. The student borrower will be notified by the commissioner of the disposition of the student's request after the commissioner has caused the petition to be evaluated on its individual merits.

Source Note: The provisions of this Â§21.92 adopted to be effective January 1, 1976.

Â§21.93 Enforcement of Collection

When any person who has received a loan authorized by the Act shall have failed or refused to make as many as six monthly payments due in accordance with an executed note, then the full amount of remaining principal and interest shall become due and payable immediately and the amount due, the person's name and last known address, and such other information as may be requested by the commissioner shall be reported by the participating institution to the commissioner who shall report such persons to the attorney general. Suit for such remaining sum shall be instituted by the attorney general or any county or district attorney acting for him in the county of the person's residence, the county in which is located the institution at which the person was last enrolled, or in Travis County, unless the attorney general shall find reasonable justification for delaying suit and shall so advise the commissioner in writing. Upon notification by the commissioner of default on a Texas opportunity plan fund loan, the Hinson-Hazlewood College Student Loan Program officer shall cause the records, including transcripts, of the student borrower to become unavailable to him or any other person outside the institution who may request them until the participating institution has been notified by the commissioner that such default has been corrected.

Source Note: The provisions of this Â§21.93 adopted to be effective January 1, 1976.

Â§21.94 Institutional Refunds to Student Borrowers

At such time as a student is no longer qualified to borrow from the fund and refunds are payable to such a student borrower by the participating institution, such refunds shall be subject to the established refund schedule of the participating institution as published in the institutional catalogue; provided, however, that any such refunds shall be made first to the fund, except in the case of loans previously canceled by insurance claims, and deposited to the credit of such student borrower. Such refunds shall not exceed the aggregate amount of all interim notes plus accrued unpaid interest and cost of insurance on the life of the student borrower.

Source Note: The provisions of this Â§21.94 adopted to be effective January 1, 1976.

Â§21.95 Cancellation of Loans

The commissioner may cancel the repayment of a loan received by a person who earns a professional doctor of medicine degree or a doctorate of psychology and who is employed by the Texas Youth Council, the State Department of Public Welfare, the Texas Department of Corrections, or the Department of Mental Health and Mental Retardation. Such cancellation shall be in compliance with a contract to be entered between the commissioner and the eligible person as provided in the Texas Education Code, Â§52.40.

Source Note: The provisions of this Â§21.95 adopted to be effective January 1, 1976.

Â§21.96 Advisory Committees

The board may appoint such advisory committees from outside its membership as it deems necessary to assist it in achieving the purposes of the Act.

Source Note: The provisions of this Â§21.96 adopted to be effective January 1, 1976.

Â§21.97 Contracts

In achieving the goals outlined in the Act and the performance of functions assigned to it, the board is authorized to contract with any other state governmental agency as authorized by law, with any agency of the United States government and with corporations, associations, partnerships, and individuals.

Source Note: The provisions of this Â§21.97 adopted to be effective January 1, 1976.

Â§21.98 Gifts and Grants

The board may accept gifts, grants, or donations of real or personal property from any individual, group, association, or corporation or the United States government subject to such limitations or conditions as may be provided by law and provided that gifts, grants, or donations of money shall be deposited in the state treasury in the Texas opportunity plan fund, separately accounted for, and expended in accordance with the specific purpose for which given under such conditions as may be imposed by the donor and as provided by law.

Source Note: The provisions of this Â§21.98 adopted to be effective January 1, 1976.

Â§21.99 Audit

All transactions under the provisions of the Act shall be subject to audit by the state auditor.

Source Note: The provisions of this Â§21.99 adopted to be effective January 1, 1976.

Â§21.100 Annual Report

The board shall make a report of the operation of the Texas opportunity plan to the governor annually and to the legislature not later than December 1 prior to the regular session of the legislature, which report shall include, for the state as a whole and for each participating institution:

- (1) the number of loans;
- (2) the maximum loan;
- (3) the minimum loan;
- (4) total loans;
- (5) a list of persons who have failed or refused to make as many as six monthly payments on any note, showing the amount due and the person's last known address; and
- (6) such other information as will describe the effectiveness of the loan program.

Source Note: The provisions of this Â§21.100 adopted to be effective January 1, 1976.